

**GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA**

STARRED QUESTION NO:214
ANSWERED ON:12.03.2001
CELLULAR TELEPHONE COMPANIES
AJAY SINGH CHAUTALA;UMMAREDDY VENKATESWARLU

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) the names of the cellular telephone companies providing cellular telephone facility in each State at present;
- (b) the present tariff being charged for the said facility;
- (c) the revenue received by the Government therefrom during each of the last three years and till-date;
- (d) whether the cellular services have been slowly concentrating in the hands of few companies;
- (e) if so, the details thereof;
- (f) whether the Government propose to prevent the development of emerging monopolies of such companies over this sector; and
- (g) if so, the details thereof?

Answer

MINISTER OF COMMUNICATIONS (SHRI RAM VILAS PASWAN)

(a) to (g): A statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN REPECT OF PARTS (a) TO (g) OF LOK SABHA QUESTION NO. 214 FOR 12TH MARCH, 2001 REGARDING CELLULAR TELEPHONE COMPANIES.

(a) Licences for providing Cellular Mobile Telephone Service (CMTS) have been granted for various service areas in the country, divided into Metro City Service Areas and Telecom Circle Service Areas; names of the companies who have been granted the licences and status of provision of service is given in Annexure.

(b) The tariff for CMTS is controlled by Telecom Regulatory Authority of India (TRAI). TRAI has specified tariffs for CMTS in its Telecommunication Tariff Order (TTO), 1999, for the standard tariff package. This standard tariff package must always be offered by the service providers to subscribers and in addition, CMTS providers may offer alternative tariff packages also. The subscriber is free to choose from among all tariff packages, including the standard tariff package.

At present, the mandatory standard tariff package offered by service providers in Metro City Service Areas includes a monthly rental of Rs. 475/- and airtime charge of Rs. 4/- per minute. In Telecom Circle Service Areas, the corresponding package is Rs. 500/- for monthly rental and Rs. 4.50/- for airtime. In many service areas the tariffs offered by cellular service providers are lower. In addition, TRAI is keeping the tariff structure under review for introducing any changes in the same if so warranted.

(c) The details of revenue (licence fees) received by the Government during last three years and till date from the licensees of CMTS is as below:

(Rs. In Crores)

1997-98	1998-99	1999-2000	2000-2001 (As on 28/2/2001)
1280.79	537.96	2216.22	1066.05

(d) to (g): No, Sir. The scheme for award of licences for CMTS envisages multiple operators in each service area. The earlier arrangement envisaged two private operators and Mahanagar Telephone Nigam Limited (MTNL)/ Bharat Sanchar Nigam Limited

(BSNL) as the third operator in each of the Metro City and Telecom Circle Service Areas. Tenders have now been invited for induction of additional operator(s) in each of the service areas. The guidelines announced for entry of additional cellular operators clearly stipulate that the existing operators can not bid for same service area. This will ensure that monopoly is not created in any service area.